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VIA ELECTRONIC TRANSMISSION

December 4, 2023

The Honorable Janet Yellen  
Secretary of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

The Honorable Julie Su  
Acting Secretary of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

The Honorable Xavier Becerra  
Secretary of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

RE: Request for Information; Coverage of Over-the-Counter Preventive Services

Dear Secretaries Yellen, Su, and Becerra:

On behalf of CareFirst BlueCross BlueShield (CareFirst), we appreciate the opportunity to respond to the Request for Information (RFI) regarding coverage of over-the-counter (OTC) preventive services. Throughout our more than 80-year history, CareFirst has been on a continuous journey to improve community health through innovation, advocacy, and public health best practices. CareFirst believes ensuring equitable access to high quality, affordable services is essential to improving health outcomes. Research demonstrates that evidence-based preventive services can save lives through early detection and treatment of disease, prior to development of advanced conditions. When people receive the preventive care they need, they are healthier, have more time to thrive, and preserve valuable healthcare resources. For these reasons, CareFirst supports the Department of the Treasury, the Department of Labor, and the Department of Health and Human Services' (Departments) exploration of creating a pathway for coverage of recommended OTC preventive services without cost-sharing to consumers and without a prescription from a healthcare provider. Given the potential for fraud, waste and abuse, and the overall impacts to healthcare affordability, the Departments should consider policy options that account for potential unintended consequences in a holistic fashion. Any solutions the Departments propose should balance the needs of individual consumers with those of other patients, insurers, pharmacies, and providers.

CareFirst urges the Departments to proceed cautiously and believes the following key principles are essential for successful adoption of access and coverage for recommended OTC preventive services that could be purchased without a prescription.

### **Limit to Recommended OTC Preventive Items and Services**

Any requirement for plans and issuers to cover OTC preventive products without a prescription should be limited to those recommended by the United States Preventive Services Task Force (with a grade A or B), the Advisory Committee on Immunization Practices, the Health Resources and Services Administration's (HRSA's) Bright Futures Project, and the HRSA-sponsored Women's Preventive Services Initiative, in accordance with Section 2713 of the Affordable Care Act. Adhering to this existing standard for coverage of OTC products without a prescription will ensure the items being obtained by patients are held to trusted evidence-based grading methods where expert bodies determine the substantialness of net benefit, public health importance, and consider health economic analyses.

### **Utilize Existing Pharmacy Networks and Claims Infrastructure**

The optimal approach to meeting the Departments' goal of ensuring patients who purchase OTC preventive products without a prescription do not incur out-of-pocket costs at the point of sale (POS) would be to modify the existing pharmacy network and claims infrastructure to facilitate patient access to OTC preventive items. Unique National Drug Codes (NDCs) could be created and assigned to each eligible OTC product for POS claims processing. At the pharmacy counter, the staff could utilize the NDC for the OTC item to submit it for claims processing with no upfront costs to patients, similar to how the process works for eligible preventive prescription drugs today. This structure could also be utilized for online ordering of OTC items for pickup at a pharmacy location. There is existing precedent for this as some major pharmacies established a process for online ordering of COVID-19 tests where patients could enter their insurance information online and order a test for pickup with zero upfront out-of-pocket costs and without the need to submit a claim to their health insurance provider.

Purchase of OTC items at non-pharmacy locations considerably complicates the process for consumers. Without a pharmacy interaction, patients would have to pay upfront for the cost of the OTC item and submit a claim with their health insurance provider for reimbursement. For both the consumer and insurer, this would be a manual process. Consumers would have to complete a form detailing the purchase, digitally upload or mail proof of purchase to the insurer, and wait for the insurer to review and verify the purchase to complete the claims processing before the patient receives reimbursement. In practice, this could take significant time and leave patients having to front costs until the post-reimbursement claims process is complete, or worst-case scenario, the patient may be denied reimbursement if an ineligible item was purchased. It would be extremely challenging for insurers to earnestly guarantee the Departments' goal of "timely and correct reimbursement" with any post-reimbursement process. While some of the burden may be minimized over time, post-reimbursement processes are inherently manual and involve several time-consuming steps. However, the option to purchase without a pharmacy interaction may be important enough to some consumers that they are willing to wait longer for their reimbursement.

### **Commitment to Equity and Overall Healthcare Affordability**

The post-reimbursement process described above would likely be burdensome for some of our members such as those who struggle with health literacy or ones whose available time for complex administrative tasks may be limited. Any post-reimbursement process could introduce new inequities in access for those who would find the process challenging and would require all patients incur cost at the POS when initially purchasing any OTC-eligible item.

A pharmacy POS processing structure with NDCs could in theory have a number of options for patients (e.g., in-person at the counter, online via mobile app or desktop, mail order, and tele-pharmacy) to purchase eligible OTC products at zero-cost share and without a prescription. In order to facilitate development of various options for our members, CareFirst recommends the Departments grant insurers flexibility to cover the purchase of OTC preventive items without a prescription at zero-dollar cost share only if the eligible items are purchased at in-network pharmacies (which could consist of in-person at the counter, online via mobile app or desktop, mail order, and tele-pharmacy). The ability of insurers to leverage in-network pharmacies where contracts have been established to keep care affordable will be imperative to continuing to contain healthcare costs and having the ability to monitor usage for signs of waste and abuse.

**Ample Implementation Lead Time Required**

CareFirst encourages the Departments to grant stakeholders significant lead time to implement any requirements. Insurers and pharmacies will need time to operationalize necessary systems changes to handle new NDCs or develop other enhancements to accommodate a new form of claims processing if applicable. Insurers will also need time to create and send out communications to members, providers, and pharmacies detailing any new processes.

Thank you for considering our views. CareFirst stands ready to partner with the Departments as you explore ways to expand consumer access to recommended OTC preventive services without cost-sharing. We would be happy to discuss the issue at your convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read "David Schwartz". The signature is fluid and cursive, with the first name "David" and last name "Schwartz" clearly distinguishable.

David Schwartz